


AGENDA ITEM #11
April 23, 2019

Public Hearing

MEMORANDUM

April 19, 2019

TO: County Council

FROM:  Keith Levchenko, Senior Legislative Analyst

SUBJECT: **Public Hearing:** FY20 Solid Waste Service Charges¹

PURPOSE: To receive testimony on the County Executive's Recommended FY20 Solid Waste Service Charges

On March 15, the Executive transmitted his FY20 proposed Solid Waste charges (see ©1-4). These charges are consistent with the Executive's Recommended FY20 Operating Budget. They are approved annually by the Council by resolution (draft attached on ©2-4).

The table on page 2 of this memorandum compares the Executive's recommended FY20 Solid Waste charges with the approved FY19 charges.

A Transportation and Environment (T&E) Committee meeting is scheduled for April 29 to discuss the Executive's FY20 Recommended Budget for the Department of Environmental Protection - Division of Solid Waste Services budget and the recommended FY20 Solid Waste service charges.

¹ Key words: #FY20SolidWasteCharges, FY20 DEP Budget, Division of Solid Waste Services.

Charge	Approved FY19	Approved FY20	% Change From FY19
SINGLE FAMILY			
Base Systems Benefit Charge	\$25.78	\$20.97	-18.7%
Incremental Systems Benefit Charge	\$127.85	\$140.77	10.1%
Disposal Fee	\$51.48	\$51.52	0.1%
Leaf Vacuuming Charge	\$102.93	\$108.16	5.1%
Refuse Collection Charge	\$77.00	\$95.00	23.4%
Total Charges, Households Receiving:			
Recycling Collection Only	\$205.11	\$213.26	4.0%
Recycling and Leaf Collection	\$303.10	\$321.42	6.0%
Recycling and Refuse Collection	\$275.11	\$308.26	12.0%
Recycling, Leaf and Refuse Collection	\$373.10	\$416.42	11.6%
MULTI-FAMILY			
Base Systems Benefit Charge	\$1.33	\$4.39	230.1%
Incremental Systems Benefit Charge	\$14.73	\$11.67	-20.8%
Leaf Vacuuming Charge	\$4.08	\$4.26	4.4%
Total Charges			
Units inside Leaf Vacuuming District	\$20.14	\$20.32	0.9%
Units outside Leaf Vacuuming District	\$16.06	\$16.06	0.0%
NONRESIDENTIAL			
(by waste generation category per 2,000 sq. feet of gross floor area)			
Low	\$119.23	\$119.23	0.0%
Medium Low	\$357.67	\$357.67	0.0%
Medium	\$596.13	\$596.13	0.0%
Medium High	\$0.00	\$0.00	n/a
High	\$1,073.02	\$1,073.02	0.0%
TIPPING FEES			
Refuse (weighing >500 lbs per load)	\$60.00	\$60.00	0.0%
Refuse (weighing 500 lbs per load or less)	\$0.00	\$0.00	0.0%
Refuse in Open Top Containers	\$70.00	\$70.00	0.0%
All Yard Trim (weighing >500 lbs per load)	\$46.00	\$46.00	0.0%
All Yard Trim (weighing 500 lbs per load or less)	\$0.00	\$0.00	0.0%
Other Recyclables	\$0.00	\$0.00	0.0%

Attachment

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OFFICE OF THE COUNTY EXECUTIVE
ROCKVILLE, MARYLAND 20850

Marc Elrich
County Executive

MEMORANDUM

March 15, 2019

TO: Nancy Navarro, President, Montgomery County Council

FROM: Marc Elrich, County Executive *[Signature]*

SUBJECT: FY20 Solid Waste Services Charges

The purpose of this memorandum is to transmit the proposed resolution for FY20 Solid Waste Services Charges. The proposed charges are consistent with my FY20 Recommended Operating Budget. I recommend the Council adopt this resolution as part of its deliberations on the FY20 Operating Budget.

ME:tl

Attachment: Resolution – FY20 Solid Waste Services Charges

c: Andrew Kleine, Chief Administrative Officer
Fariba Kassiri, Deputy Chief Administrative Officer
Richard Madaleno, Director, Office of Management and Budget
Alexandre A. Espinosa, Director, Department of Finance
Adam Ortiz, Director, Department of Environmental Protection

Resolution No.: _____

COUNTY COUNCIL

By: Council President at the Request of the County Executive

SUBJECT: Solid Waste Service Charges

Background

1. Each fiscal year and in accordance with County Code Section 48-31, the County Council must set, by resolution, the base solid waste charges, the residential systems benefit charge, and the nonresidential systems benefit charge and all other solid waste service, collection, and disposal charges and fees.
2. Each fiscal year and in accordance with County Code Section 48-8A(b)(1), the County Council must set, by resolution, the rates for the residential and nonresidential systems benefit charges.
3. Under County Code Sections 48-47(c)(1) and (2), the County has established a Leaf Recycling Service Area in which special fees are charged for leaf recycling services.
4. On March 15, 2019, the County Executive recommended, effective July 1, 2019, solid waste charges including the residential Base Systems Benefit Charge which when multiplied by the generation rates (set by Executive Regulation 15-19) yield household charges for FY20:

Refuse Collection Charge:

For single-family households and dwellings in buildings with six or fewer dwelling units located within Sub-district A of the Solid Waste Refuse Collection District:

Once weekly refuse collection charge

\$95.00 / Household

Disposal Fee (Applies to All Single-Family Households and Dwellings in Buildings Comprised of Six or Fewer Dwelling Units Outside of Municipalities)

Disposal fee (Tip Fee x Tons Disposed per Household) $\$60.00 \times 0.85867 =$
\$51.52 / Household

Systems Benefit Charge for Single-Family Households and Dwellings in Buildings Comprised of Six or Fewer Dwelling Units:

Base Systems Benefit Charge =

$$\begin{aligned} &\text{Base Cost / Ton} \times \text{Generation / Household} - \text{Offset from Disposal Fees:} \\ &\$41.0073 / \text{Ton} \times 1.7678 \text{ Ton / Household (ER 15-19)} - \$51.52 / \text{Household} = \\ &\$20.97 / \text{Household} \end{aligned}$$

Incremental Systems Benefit Charge =

$$\begin{aligned} &\text{Charge Rate (\$/Ton Waste Generated)} \times \text{Generation / Household:} \\ &\$79.6300 \times 1.7678 = \$140.77 / \text{Household} \end{aligned}$$

Systems Benefit Charges for Multi-Family Properties in Buildings Comprised of Seven or Greater Dwelling Units (Charge per Dwelling Unit):

Base Systems Benefit Charge =

$$\begin{aligned} &\text{Base Cost / Ton} \times \text{Tons Generated / Dwelling} - \text{Tip Fee Offsets} \\ &\$41.0073 / \text{Ton} \times 0.9968 \text{ Ton / Dwelling (ER 15-19)} - \$36.48 / \text{Dwelling} = \\ &\$4.39 / \text{Dwelling} \end{aligned}$$

Incremental Systems Benefit Charge =

$$\begin{aligned} &\text{Charge Rate (\$/Ton Waste Generated)} \times \text{Generation / Dwelling:} \\ &11.7085 \times 0.9968 = 11.67 / \text{Dwelling} \end{aligned}$$

Total multi-family Systems Benefit Charge on property bill \$ 16.06 / Dwelling

Nonresidential Properties:

Base and Incremental Systems Benefit Charges by waste generation category per billable unit of 2,000 square feet of gross floor area of property improvement on real property as reported by the State Department of Assessments and Taxation:

<u>Generator Category</u>	<u>Base (\$/GFA Unit)</u>	<u>Incremental (\$/GFA Unit)</u>	<u>Total (\$/GFA Unit)</u>
Low	\$ 68.27	\$ 50.96	\$ 119.23
Medium Low	\$ 204.80	\$ 152.87	\$ 357.67
Medium	\$ 341.34	\$ 254.79	\$ 596.13
Medium High	\$ 0.00	\$ 0.00	\$ 0.00
High	\$ 614.41	\$ 458.61	\$1,073.02

Solid Waste Charges per ton for solid waste:

Refuse received at the Transfer Station (weighing > = 500 lb/load)	\$ 60.00
Refuse received at the Transfer Station (weighing < 500 lb/load)	\$ 0.00
Materials delivered for disposal in open-top roll-off boxes	\$ 70.00
All Yard Trim received at the Transfer Station (weighing > 500 pounds/load)	\$ 46.00
Scrap metal delivered to the Transfer Station	\$ 0.00
Recyclable paper received at the County's Recycling Center	\$ 0.00
Commingled containers received at the County's Recycling Center	\$ 0.00
Source separated recyclable materials dropped off at the recycling drop-off area of the Transfer Station	\$ 0.00

Leaf Vacuuming charge in the Leaf Recycling Service Area:

Single-family Household	\$ 108.16
Multi-family Residential Unit	\$ 4.26

Action

The County Council approves the above solid waste charges, effective July 1, 2019.

This is a correct copy of Council action.

Megan Davey Limarzi, Esq.
Clerk of the Council